



DHCD Section 3 Developer/Contractor Fact Sheet

Section 3 Certification

All applicants and recipients of DHCD funds must submit a Section 3 Certification that they will comply with the requirements of Section 3 (24 CFR §135.9). Applicants who fail to submit the Section 3 certification may be deemed unresponsive by DHCD in the funding award process.

Section 3 Opportunities Plan

A Section 3 Opportunities Plan (SOP) must be submitted to DHCD and approved **prior** to the closing of a grant/loan for any Section 3 covered project. The plan must include the actions that will be taken to comply with Section 3. Preliminary Section 3 Opportunities Plans should be submitted to DHCD as soon as possible. DHCD may reject a plan and request additional information and or request changes be made to the Section 3 Opportunities Plan.

Section 3 Opportunities Plan may be amended at any time after approval if necessary to ensure compliance. Recipients must maintain documentation of activities and outreach attempts. Please contact DHCD at the number below to obtain a Section 3 Opportunities Plan.

Section 3 Clause

All contracts with contractors and subcontractors for Section 3 covered projects must contain the Section 3 contract clause in the contracts of its contractors and subcontractors.

Monitoring

DHCD will monitor all Section 3 recipients and subrecipients. DHCD may review developer, contractor, and subcontractor Section 3 Opportunity Plans; selected contracts; reviews of payrolls and other supportive documentation; and conduct on-site interviews of workers, contractors and subcontractors.

Reporting

Recipients must submit **quarterly** reports regarding their Section 3 activities on the Section 3 Contractor Subcontractor Form. If recipients have chosen to hire Section 3 residents to achieve compliance, they are also required to submit copies of their monthly Contract Compliance Forms (as required by their First Source Hiring agreements) with their quarterly Section 3 Report. If recipients chose to contract with Section 3 business concerns they must also submit proof of payment to those businesses. Recipients are required to submit to DHCD a **final** Section 3 report within five days of project completion.

Complaints

DHCD will conduct investigations of allegations of the violation of Section 3. Possible violations will promptly be referred to HUD, the Office of the Assistant Secretary of Fair Housing and Equal Opportunity.

Whom to Contact

Please consult the DHCD Section 3 Developer/Contractor Guide for more information. You may contact DHCD at 202-442-7182 to request the DHCD Section 3 Developer/Contractor Guide, required forms and assistance.